

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 438 - SB 1059

March 25, 2021

SUMMARY OF BILL: Requires the Department of Education (DOE) to administer grants to local education agencies (LEAs) which supplement the funding each LEA receives for special education through the basic education program (BEP).

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$103,492,000/FY21-22 and Subsequent Years

Increase Local Revenue - \$103,492,000/FY21-22 and Subsequent Years

Assumptions:

- The proposed language requires grants to be calculated at 30 percent of the amount the LEA receives in the same year through the BEP for special education. No local match would be required.
- LEAs would not be required to apply to receive a grant in FY21-22, but would be required to provide a report of how the funds were utilized to DOE to receive a grant in subsequent years.
- Under the FY20-21 January revised BEP calculation, LEAs received \$344,973,269 in BEP funding for special education. The proposed language will result in an increase in state expenditures and corresponding increase in local revenue of \$103,491,981 (\$344,973,269 x 30.0%).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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